

# **Seattle Public Library CIP White Paper**

September 2011

## **Overview**

The Seattle Public Library's facilities include 26 branch libraries and the Central Library, as well as a storage facility and leased shops space. In 2008, the Library completed the final building projects of a system wide capital program, known as "Libraries for All" (LFA). As a result of this \$291 million program, which was funded by a combination of public and private sources, Seattle has a new Central Library and four new branch libraries at Delridge, International District/Chinatown, Northgate and South Park. In addition, each of the 22 branch libraries that were in the system as of 1998 was renovated, expanded or replaced. The LFA program increased the amount of physical space that the Library maintains by 80 percent to a total of over 600,000 square feet.

The Library's buildings can be divided into four major categories. There are ten buildings that are designated historic landmarks, including 7 Carnegie-era libraries, built in the early 1900s, and three landmark modern buildings. Most of the remaining branch libraries are either LFA new construction (eight buildings) or non-landmarked buildings developed between the 1950s and the 1970s (three buildings). An additional five small library branches are essentially storefronts, four of which are part of larger buildings. In a class by itself is the Central Library. This 12-story, 363,000 square foot building serves both as headquarters and hub of the library system, housing the materials distribution system, Library administration, a 425-seat auditorium and a collection of public meeting rooms, large public areas for reading and providing access to 412 public computers, a data center housing system-wide servers, and of course, the Central Library collection of books and materials.

In this post-LFA era, the Library's CIP budget is devoted primarily to asset preservation. The 2012 Proposed CIP budget includes \$600,000 in Real Estate Excise Tax (REET I) funding and \$220,000 in General Fund for a total capital budget of \$820,000. This is a decrease from the 2011 capital budget of \$1,050,000. The reduction in funding means that the Library will be able to undertake fewer asset preservation projects in 2012.

The Library's 2012 Proposed CIP budget also includes a new Technology Infrastructure Replacement Project which appropriates \$756,000 in 2012 for the purchase of technology switching and routing equipment. It is financed by the issuance of long-term general obligation bonds. The debt service on this purchase will be paid out of existing resources in the Library's operating fund.

## **2012 – 2017 CIP**

The Library is fortunate to have had the opportunity to upgrade its physical inventory between 1999 and 2008. The fact that its buildings are in relatively good shape has made it possible to carry out responsible major maintenance with restricted capital budgets. However, the 2012 budget of just over \$800,000 (compared to \$2 million in 2008) provides less than \$2 per square foot of maintenance funding and less than one percent of replacement value, which is a typical target maintenance funding level. The funding must also cover the cost of long-term asset management planning.

Library buildings are some of the most intensively-used public facilities in Seattle. The Central Library hosts approximately 2 million visitors annually, and library branches see another 5 million visitors. Even the quietest branch has more than 70,000 people walk through the door each year. The Library's historic landmark buildings have unique features such as brick facades, slate roofs and other details, and it is important to use designs and materials consistent with their landmark status – all factors that

increase major maintenance costs. The Central Library poses a different set of challenges. A building of its size, complexity and intensity of use requires significant annual major maintenance to preserve core functionality and continually improve building efficiency.

The LFA improvement projects were completed on a rolling basis over the course of a decade. The Library has developed a projection of annual asset preservation requirements by focusing on the year in which each building reaches the 10-year mark from its LFA construction or expansion/renovation. This juncture provides a critical milestone for renewal of mechanical systems, building envelopes/roofs, and interiors. The Library does not anticipate needing to fund many wholesale replacements of systems at this point, but will need to replace, repair or upgrade components in order to maximize the useful life of the systems.

The Library has identified approximately \$800,000 in asset preservation work that should be completed in 2012, \$1.7 million in 2013 and \$1.9 million in 2014 if funding is available. In 2012, CIP work in the 26 library branches will focus on building envelope maintenance as well as door and window improvements. At the Central Library, 2012 work will focus on mechanical, security and flooring system improvements. In 2013, resources would be used to support approximately \$550,000 at the Central Library for building shell and core repairs, safety/security related improvements, ongoing upgrades and component replacements to building mechanical, electrical and plumbing systems (MEP), and renewal of high wear-and-tear interior finishes. At the ten landmark buildings, an estimated \$825,000 would be used primarily for building envelope, MEP, safety/security improvements and interior renewal. The Library expects to need about \$250,000 in 2013 to address asset management in the 16 modern and storefront branch libraries and shop space. Finally, \$75,000 would fund longer term asset management planning. By 2014, several Library buildings, including the Central Library, will be 10 years from their LFA construction or remodel. The Library anticipates needing to do significant interior renewal at the Central Library, as well as at some of the modern and Carnegie-era branches. From 2015-2018, an annual CIP budget for asset preservation of \$2.0 to 2.5 million will be needed as more substantial systems renewals start to be required.

The projections of need for the next few years do not include any work that may be required to implement accessibility modifications to Library buildings.

## **CIP Revenue Sources**

The Library's CIP is currently funded with REET 1 (\$600,000 in the 2012 Proposed CIP Budget) and a special, two-year allocation of General Fund support (\$220,000). It also includes \$756,000 for a new Technology Infrastructure Replacement Project which is financed by the issuance of long-term general obligation bonds. The debt service on this purchase will be paid out of existing resources in the Library's operating fund.

## **Thematic Priorities and Project Selection**

With the recent system expansion funded by the LFA Program, the Library's CIP is now devoted to major maintenance that protects the City's investment in existing library facilities.

### Asset Preservation

The overriding priority of the Library's capital program is extending the useful life of the buildings as long as possible. Major repairs and replacement to roofs, building envelopes, HVAC and other critical building systems, doors, windows, flooring and casework are examples of the asset preservation items

that must be funded through the Library's CIP budget. In the branch libraries, work in 2012 will primarily focus on building envelope maintenance, including phase two of exterior beam tip repairs at the Ballard Library, and door and window replacements which were not part of the remodel scope at some libraries. The Library has allocated approximately \$430,000 of its 2012 CIP budget for branch library asset preservation. At the Central Library, 2012 asset preservation work will focus on flooring systems, casework and building envelope repairs, with an anticipated allocation of \$80,000.

#### Library Operational Efficiency, Environmental Sustainability and Public Service Improvements

The Library delivers direct services to the public, who expect and deserve highly functional and welcoming library buildings. Major maintenance work carried out under this priority supports (1) efforts to maximize environmental sustainability and reduce maintenance and utility costs at Library buildings; (2) implementation of new service models to help the library reduce operating costs while minimizing impact to the public; and (3) efforts to better tailor services to neighborhood needs and rapidly evolving changes in how people access and use information. At the Central Library, the 2012 CIP work will focus on mechanical system improvements, in an ongoing effort to fully realize the building's energy efficiency potential (reducing long-term operating costs to alleviate unfunded utility cost increases) and improve air pressurization. Additional work will include phased improvements to the security system and limited functional modification items. The Library has allocated \$200,000 to fund these improvements at the Central Library in 2012. If funds are available (due to the actual cost of work being less than estimated levels), the Library will undertake mechanical system improvements in the branches as well. A total of \$30,000 for technical planning and analysis will guide all these efforts.

#### Safety and Security of Public and Staff

Repairs and building improvements that enhance the safety of library buildings are the third main priority guiding the Library's decision-making regarding allocation of its limited capital resources. The Library has allocated \$80,000 for security improvements at the Central Library.

### **Project Selection Criteria**

The Library currently has two CIP projects – Library Major Maintenance and a new Technology Infrastructure Replacement Project that appropriates bond-financed technology purchases to be repaid out the Library's operating fund.

In selecting major maintenance work to accomplish each year, the Library evaluates the impact on safety to the public and staff, preservation of building integrity, importance of the work to core library building functions, operational efficiency gains (both economic and environmental), and opportunities to improve or preserve service to the public.

The Library conducts condition assessments and updates information based on inspection by the capital program manager and facilities maintenance staff. As part of ongoing asset management, the Library obtains professional evaluations of roofs, mechanical, HVAC and lighting systems to flag deficiencies and identify areas where the capital program may be able to reduce operating costs.

Proposals for work designed to change the functional use of space are developed by Library public services managers. Such proposals are evaluated for feasibility, cost and urgency. The capital program works with library services managers to scope alternatives. The Library Leadership Team has ultimate responsibility for authorizing and prioritizing functional building modifications.

The Library is unlike other CIP departments in that it has only two relatively small CIP projects – one of which (major maintenance) is composed of numerous small-scale work items that address standard asset management objectives. Many of the facilities are open seven days per week, which requires careful planning and staging of projects to keep libraries open as much as possible while capital improvement work is underway. Advance planning is crucial, but it is impossible to firm up a major maintenance program a year ahead of time. Having the flexibility to respond to emerging building issues is crucial.

A few examples will clarify how the Library determines what work to include in a given year's major maintenance program.

1. Green Lake Branch boiler replacement: The Library's asset management system tracks the year of last renewal and expected life of major building components. The Green Lake boiler was installed in 1955, with an expected life of 50 years. Using the selection criteria, the boiler rose to become a 2011 priority both to preserve building integrity and because its operation is required to keep the facility open to the public. The decision involved weighing both the criticality of the system and the likelihood of failure if the work is not done.
2. Ballard Branch exterior beam tip repairs: Routine condition assessment of the exterior of the Ballard Branch revealed that the glue-lam beams and rafters at the edges of the roof are weathering severely. In 2010 the Library undertook a limited project to restore half of the beams. The work was phased in order to spread costs over more than one year, and to test the effectiveness of the treatment method before investing considerable resources. In 2012 the Library plans to undertake the next phase of restoration. This work is high priority because the Library wants to address the problem before any of the structural integrity is compromised.
3. Consolidation of service desks on Level 3 of the Central Library: In 2011, the Library implemented a number of service model changes in the Central Library related to budget cuts that reduced public services staffing. Separate services desks for Fiction and Teen services cannot be staffed full time, so a central service point was created that could be seen and accessed by users of both programs. The CIP does not pay for furniture, but it did support this project by providing power for voice and data connections to the new desk, and any related flooring modifications. The decision to include this in 2011 work was based on the need to achieve the operational efficiency in this budget year.
4. Columbia Branch walkway and stair repairs: This is a medium/low priority asset management item which will likely be deferred until 2013. The issues do not present a hazard, but should be monitored. If funds are available after higher priority items are implemented or the existing situation becomes more critical in terms of safety or building integrity, the work will rise in priority.

## **Future Projects/What is on the Horizon**

The Libraries for All capital program provided a phased renewal of the Library's physical assets over a ten-year period from 1999-2009. By 2013-2014, half of the inventory, including the Central Library, will be over ten years old (or ten years from renovation). The Library strives to preserve the public and private investment in these very heavily used community resources with a responsible program of asset management. Significant interior renewal, as well as mechanical, engineering and plumbing component replacements and upgrades at both the Central Library and branch libraries should be implemented in a

phased approach starting in 2013 to avoid the compounding of major maintenance costs that occurs when necessary work is deferred. That is primarily why the Library's capital needs are growing at this time when resources are declining. In addition, the Library is implementing a strategic plan that addresses the new ways that people are accessing information and using Library spaces. Changes in the way space is used in libraries will inevitably have implications for capital budget requirements moving forward.

The Library's shops, storage and materials handling are currently spread across two facilities and a leased space. The Library operates its automated materials handling (processing and sorting of returned collection items to fill holds and return items to their "home" location) out of the Central Library. Although the Library's current processing facility has almost reached its growth limit, a needs assessment is particularly critical as the nature of Library materials (paper versus electronic) is undergoing a sea change, while public use of Library facilities for a range of services is high. It is critical to conduct a needs assessment in the next year or two, which might lead to a proposal for a combined shops/storage/materials handling facility during the six-year time horizon of the CIP.

Another potential project would improve perimeter security around the Central Library, including the loading dock. A proposal for Urban Areas Security Initiative (UASI) federal grant funding was submitted in 2010, and may be resubmitted in the coming UASI grant round. This project, estimated to cost up to \$1.2 million, cannot be undertaken unless grant or other funding is obtained.

### **CIP Spending by Major Category**

The Library's spending falls under two major categories – Major Maintenance and Technology Infrastructure Replacement. Otherwise defined as "asset management," major maintenance covers the core stewardship of library buildings to ensure building integrity and functionality. When the Library's CIP budget was first sharply reduced in mid-2009, it was recognized that putting these limited funds under a single project would give the capital program the flexibility to manage them efficiently. The new Technology Infrastructure Replacement Project will appropriate \$756,000 in 2012 for the purchase of technology switching and routing equipment. It is financed by the issuance of long-term general obligation bonds. The debt service on this purchase will be paid out of existing resources in the Library's operating fund.

### **Anticipated Operating Expenses Associated with Capital Facilities Projects**

The Library's major maintenance projects generally preserve existing facilities and do not create new operational requirements. Asset preservation work serves to contain operating expenses by keeping facilities in good working order. The Library's capital planning seeks to identify opportunities to reduce daily maintenance requirements and utility expenses wherever possible.